

AGENCY NAME:	Department of Employment and Workforce		
AGENCY CODE:	R600	SECTION:	83



Fiscal Year 2014-15 Agency Budget Plan

FORM A – SUMMARY

RECURRING FUNDS (FORM B DECISION PACKAGES)	My agency is submitting the following recurring decision packages (Form B):	
	For FY 2014-15, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting a net increase in recurring General Fund appropriations.
	<input checked="" type="checkbox"/>	Not requesting a net increase in recurring General Fund Appropriations.

CAPITAL & NON-RECURRING FUNDS (FORM C DECISION PACKAGES)	My agency is submitting the following one-time decision packages (Form C):	
	816	
	For FY 2014-15, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting capital and/or non-recurring funds.
	<input type="checkbox"/>	Not requesting capital and/or non-recurring funds.

PROVISOS	For FY 2014-15, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
	<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).
	<input checked="" type="checkbox"/>	Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	Shaji Kuriakose	803-737-2571	skuriakose@dew.sc.gov
SECONDARY CONTACT:	Don G. Grant	803-737-0367	dgrant@dew.sc.gov

I have reviewed and approved the enclosed FY 2014-15 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

AGENCY DIRECTOR (SIGN/DATE):	
AGENCY DIRECTOR (TYPE/PRINT NAME):	Cheryl M. Stanton

This form must be signed by the department head – not a delegate.

AGENCY NAME:	Department of Employment and Workforce		
AGENC CODE:	R600	SECTION:	83

FORM C – CAPITAL OR NON-RECURRING APPROPRIATION REQUEST

DECISION PACKAGE	816
-------------------------	------------

Provide the decision package number issued by the PBF system ("Governor's Request").

TITLE	Unemployment Insurance – SCUBI Project (Southeast Consortium for Unemployment Benefits Integration)
--------------	--

Provide a brief, descriptive title for this request.

AMOUNT	\$50,000,000
---------------	---------------------

How much is requested for this project in FY 2014-15?

BUDGET PROGRAM	10000000 - Unemployment Insurance
-----------------------	--

Identify the associated budget program(s) by name and budget section.

SUMMARY	<p>SC recently received \$50 million in supplemental budget request (SBR) funds from the U.S. Department of Labor to take over as the lead procurement state for the Southeast Consortium of Unemployment Benefits Integration (SCUBI) project to build and implement an integrated Unemployment Insurance Benefits system. This is the result of and reflects the withdrawal of Tennessee as a member and lead state of the SCUBI consortium. The remaining states of the consortium, South Carolina, North Carolina, and Georgia, are continuing with the project, and South Carolina is now serving as the lead procurement state for the SCUBI project.</p> <p>The existing systems were designed and implemented 30 years ago, they are obsolete and in danger of complete failure. The legacy systems have poor agility – integrating new technology is complex & inefficient, minimal scalability – limited capacity to handle significant increase in claims filed in the recent recession, inhibited productivity – technology that improve staff productivity and services such as document management systems, forms management, & ad-hoc reporting tools cannot be quickly implemented. Consortium members have experienced many minor outages due to system failures or power outages which have resulted in lost productivity of tens of thousands of dollars each hour of outage. Changing the platform and design of these mission-critical systems changes the states' focus from spending all their money keeping the system running to improving the systems, services, & quality. A Modern UI Benefits System will greatly reduce maintenance cost and integrating changes will be much easier to accommodate. Finally, the modernized UI benefits system incorporates security of information in its foundation.</p>
----------------	---

Provide a summary of the project and explain why it is necessary.

AGENCY NAME:	Department of Employment and Workforce		
AGENC CODE:	R600	SECTION:	83

RELATED REQUEST(S)	No
---------------------------	----

Is this decision package associated with other decision packages requested by your agency or other agencies this year? Is it associated with a specific capital or non-recurring request?

MATCHING FUNDS	The United States Department of Labor has awarded funding to support states in updating their IT infrastructures. As cost to design & develop is unaffordable in the current budget environment, collaborative solutions to address the challenge has led to consortium strategy to fund system modernization and large technology projects.
-----------------------	--

Would these funds be matched by federal, institutional, philanthropic, or other resources? If so, identify the source and amount.

FUNDING ALTERNATIVES	We are not seeking any general funds to implement this modernization effort or any future support. The other sources are federal funds, which primarily come from supplemental budget funds and general UI administrative grants.
-----------------------------	---

What other possible funding sources were considered?

LONG-TERM PLANNING AND SUSTAINABILITY	<p>UI modernization incentive funds and UI administrative funds have been set aside to upgrade and manage the IT infrastructure associated with the new system upon implementation.</p> <p>SC will also act as a pass-through fiscal agent for various federal funds initially received by NC and GA for the SCUBI project, and SCDEW may include additional requests for this spending authority in subsequent years.</p>
--	--

What other funds have already been invested in this project (source/type, amount, timeframe)? Will other capital and/or operating funds for this project be requested in the future? If so, how much, and in which fiscal years? Has a source for those funds been identified/secured?

OTHER APPROVALS	Approval for the project has been obtained from SC DSIT and the consortium's project steering committee. The Procurement Services Division of the Budget & Control Board executed the contract on behalf of DEW.
------------------------	--

What approvals have already been obtained? Are there additional approvals that must be secured in order for the project to succeed? (Institutional board, JBRC, BCB, etc.)